
A BILL FOR AN ACT

RELATING TO EMERGENCY RELIEF FOR NATURAL DISASTERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Residents and businesses of the State are often
2 twice victimized when natural disasters strike. First, the
3 damage caused by a natural disaster is often extensive and
4 repair or replacement costs are prohibitive. Second, the
5 emergency relief from governmental agencies to meet the
6 immediate needs of victims is often delayed or unavailable for
7 extended periods. For some victims of natural disasters, the
8 delay in receiving emergency assistance can mean a total loss of
9 their homes or businesses. The legislature finds that there is
10 an urgent need to provide victims with prompt emergency relief
11 during or immediately after a natural disaster.

12 The purpose of this Act is to allow the governor, upon the
13 declaration of an emergency, to release up to ten per cent of
14 the moneys appropriated from the emergency and budget reserve
15 fund to provide assistance to residents and businesses that have
16 sustained damage during or immediately after a natural disaster.

17 SECTION 2. Section 328L-3, Hawaii Revised Statutes, is
18 amended to read as follows:



1 **"§328L-3 Emergency and budget reserve fund.** (a) There is
2 established in the state treasury the emergency and budget
3 reserve fund which shall be a special fund administered by the
4 director of finance, into which shall be deposited:

5 (1) Twenty-four and one-half per cent of the moneys
6 received from the tobacco settlement moneys under
7 section 328L-2(b)(1);

8 (2) Appropriations made by the legislature to the fund.

9 (b) All interest earned from moneys in the emergency and
10 budget reserve fund shall be credited to the general fund.

11 (c) Expenditures from the emergency and budget reserve
12 fund shall be a temporary supplemental source of funding for the
13 State during times of emergency, economic downturn, or
14 unforeseen reduction in revenues. No expenditures shall be made
15 from the emergency and budget reserve fund except pursuant to
16 appropriations[-] or as provided in subsection (e). The general
17 appropriations bill or the supplemental appropriations bill, as
18 defined in section 9 of article VII of the Constitution of the
19 State of Hawaii, shall not be used to appropriate moneys from
20 the emergency and budget reserve fund. The governor, through an
21 appropriations bill, may recommend expenditures from the
22 emergency and budget reserve fund by setting forth the purposes



1 of the expenditures consistent with subsection (d), the amounts,
2 and the reasons justifying the necessity for the appropriations.

3 (d) The legislature may make appropriations from the fund
4 for the following purposes:

5 (1) To maintain levels of programs determined to be
6 essential to public health, safety, welfare, and
7 education;

8 (2) To provide for counter cyclical economic and
9 employment programs in periods of economic downturn;

10 (3) To restore facilities destroyed or damaged or services
11 disrupted by disaster in any county; and

12 (4) To meet other emergencies when declared by the
13 governor or determined to be urgent by the
14 legislature.

15 Any act making appropriations from the emergency and budget
16 reserve fund shall include a declaration of findings and
17 purposes setting forth the purposes, the amounts, and the
18 reasons why the appropriations are necessary and, except as
19 provided in subsection (e), shall require a two-thirds majority
20 vote of each house of the legislature.

21 (e) Upon the declaration by the governor of an emergency
22 due to a natural disaster, the governor, by executive order, may



1 authorize the release and expenditure of moneys appropriated
2 from the fund to provide emergency assistance to residents or
3 businesses of the State for damages sustained from a natural
4 disaster, during or immediately after the natural disaster,
5 subject to the following requirements:

6 (1) The governor shall determine the amount of moneys to
7 be released based upon the recommendations of the
8 State and respective county civil defense agencies;
9 provided that the amount appropriated shall not exceed
10 ten per cent of the balance in the fund earned from
11 interest on principal at the time of the
12 appropriation;

13 (2) Within seventy-two hours after issuing the executive
14 order, the governor shall provide written notice to
15 the president of the senate and the speaker of the
16 house of representatives describing the intended use
17 of the moneys; and

18 (3) The governor shall submit a report to the legislature
19 not later than twenty days prior to the convening of
20 the regular session or any special session immediately
21 following the occurrence of the natural disaster,
22 regarding the release and expenditure of moneys from



1 the fund under this subsection; provided that if the
2 natural disaster occurs in the period between thirty
3 days prior to the convening of a regular session and
4 the closing of the regular session, the governor shall
5 submit the report not later than thirty days after
6 issuing the executive order. At a minimum the report
7 shall:

8 (A) State the amounts released;

9 (B) Describe the purposes under subsection (d) for
10 which the funds were released;

11 (C) Explain the factors that necessitated the use of
12 moneys in the fund; and

13 (D) Provide recommendations for replacing the
14 expended moneys from the fund.

15 ~~(e)~~ (f) Appropriations for the following purposes from
16 the emergency and budget reserve fund are specifically
17 prohibited:

18 (1) To meet expenses of the legislature;

19 (2) To provide for salary adjustments for officials
20 appointed pursuant to article V, section 6, or article
21 VI, section 3, of the Constitution of the State of



1 Hawaii and for others whose salaries are directly
2 related to salaries of these officials; and
3 (3) To fund cost items in any collective bargaining
4 contract."

5 SECTION 3. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$, or so
7 much thereof as may be necessary for fiscal year 2006-2007, to
8 carry out the purposes of section 328L-3, Hawaii Revised
9 Statutes.

10 SECTION 4. The sum appropriated shall be expended by the
11 director of finance for the purposes of this Act.

12 SECTION 5. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 6. This Act shall take effect on July 1, 2006.



Report Title:

Natural Disasters; Rainy Day Fund

Description:

Authorizes the governor to order the release of up to ten per cent of moneys appropriated from interest earnings in the emergency and budget reserve fund for emergency assistance to residents and businesses sustaining damage from natural disasters. Also appropriates funds for emergency assistance.
(SD1)

